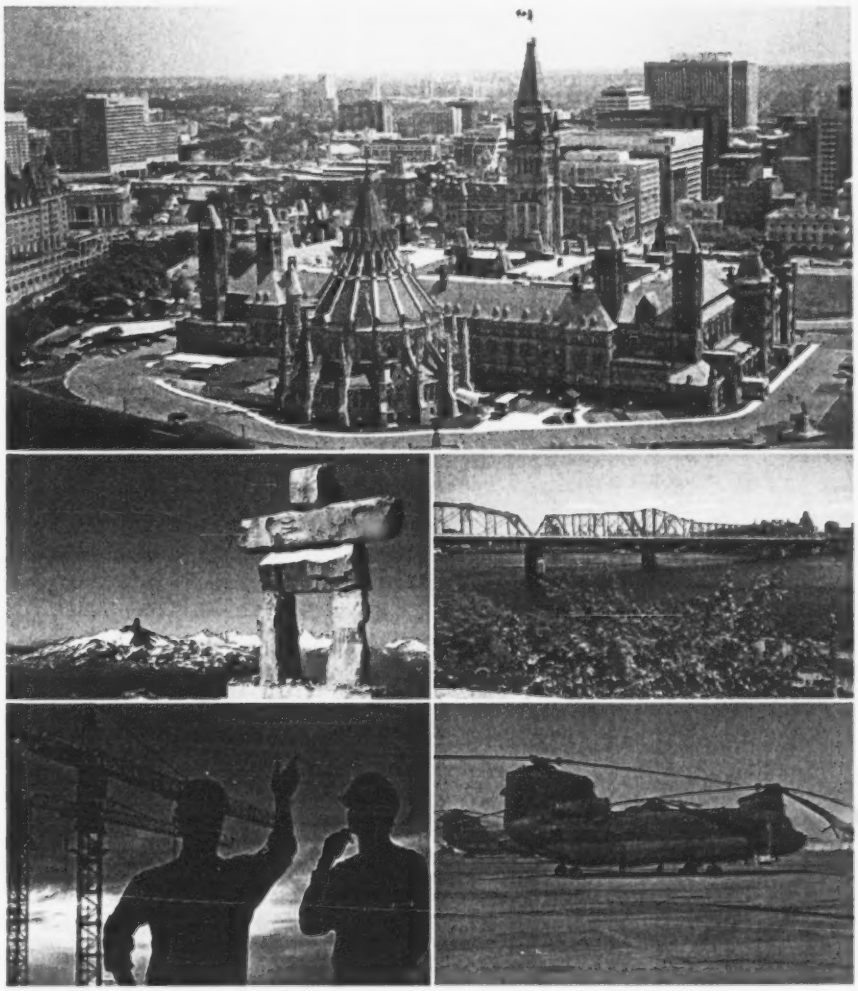
2011-2012 ESTIMATES

REPORT ON PLANS AND PRIORITIES



The Honourable Rona Ambrose
Minister of Public Works and Government Services
Receiver General for Canada

Public Works and Government Services Canada
Travaux publics et Services gouvernementaux Canada

Canada

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Inukshuk photo credit: iStockphoto
Alexandra Bridge photo credit: Steve Slaby
Canadian Forces Chinook Helicopter Photo by Corporal James Nightingale

MINISTER'S MESSAGE

It is my pleasure to present Public Works and Government Services Canada's (PWGSC) *2011-2012 Report on Plans and Priorities*. This report outlines the Department's priorities in support of the Government of Canada.

We will continue to modernize our procurement processes, ensuring fair, open and transparent processes while providing best value to Canadians, and supporting other departments in delivering their services to Canadians. We are continuing to work on streamlining military procurement so that we can provide the necessary equipment to support our men and women in their missions.

Our Office of Small and Medium Enterprises will continue to work with suppliers, making it easier for them to do business with the Government of Canada and improving access to procurement opportunities. We will also continue to implement the Canadian Commercialization and Innovation Program on a pilot basis to support businesses in bringing their innovative products to markets for the first time.

As the custodian of the Parliamentary Precinct buildings, we will continue to renovate the core buildings (the West, Centre and East Blocks) to protect the architectural integrity of these national heritage landmarks.

PWGSC's Client Service Strategy is entering its second year of implementation and is now well advanced in achieving a common department-wide approach to client service management. We will continue to bring greater clarity to client service priorities and expectations, improve how we measure client satisfaction, and develop a more systematic approach to building our client service culture within PWGSC.

PWGSC is implementing major projects to improve the way the government administers its pay and pension systems. We are replacing our 40 year old pay system with a modern, off-the-shelf, commercial system, and consolidating pay services in a new Centre of Expertise in Miramichi, New Brunswick. This new system will offer expanded self-service capabilities that will improve efficiency and reduce timeframes for processing pay transactions.

We are also ensuring the sustainability of PWGSC's pension administration through the replacement of outdated systems, and through our commitment to provide modern industry standard services to employees and pensioners.

An important focus for us in 2011-2012 will be our contribution to the Federal Sustainable Development Strategy, which will ensure that environmental sustainability is integrated in decision-making. In particular, we will work to reduce greenhouse gas emissions arising from our extensive real estate portfolio, as well as from our use of vehicles.

I am confident that the initiatives described in this report will make a major contribution to the sound management of the resources entrusted to us on behalf of Canadians.

The Honourable Rona Ambrose
Minister of PWGSC

SECTION I – DEPARTMENTAL OVERVIEW

1.1 Summary Information

Raison d'être

Public Works and Government Services Canada (PWGSC) plays an important role in the daily operations of the Government of Canada. We are its principal banker, accountant, central purchasing agent, linguistic authority, real property manager and enabler of access to government services online.

Our vision is to excel in government operations, and our mission is to deliver high-quality services and programs that meet the needs of federal organizations and ensure sound stewardship on behalf of Canadians.

Responsibilities

The Department, founded in 1841, was instrumental in the building of our nation's canals, roads and bridges, the Houses of Parliament, post offices and federal buildings across the country.

Today, we have evolved into a sophisticated operational arm of government that employs more than 14,000 staff working in the National Capital Area, as well as in offices in Halifax, Montreal, Toronto, Edmonton and Vancouver and other locations throughout the regions.

The *Department of Public Works and Government Services Act*, passed in 1996, established the Department and set out the legal authorities for PWGSC's services. The Act established PWGSC as a common service organization providing government departments, boards and agencies with support services for their programs, including:

- procurement;
- office accommodation and facilities;
- architectural and engineering services;
- construction, maintenance and repair of public works and federal real property; and
- linguistic, information technology, telecommunications, industrial security, consulting and auditing services.

The Minister of PWGSC is also the Receiver General for Canada and has the authority for the administration of services related to benefits, superannuation, pension plans, and the disbursement of pay to federal employees. The Minister is also responsible for maintaining the Public Accounts of Canada.

Our goal is to manage our business in a way that strengthens accountability and adds value for our clients. In doing so, PWGSC:

- injects more than $14 billion annually into the Canadian economy through government procurement;
- issues more than 14.6 million federal pay and pension payments to Canadians;
- provides accommodation to parliamentarians and more than 265,000 public servants in 1,855 locations across Canada;
- provides translation and interpretation services for more than 1,700 sessions of Parliament annually, and translates 1.7 million pages of text on behalf of other federal organizations; and

- handles over $2 trillion in cash flow transactions as the Receiver General for Canada.

Contribution to the Federal Sustainable Development Strategy (FSDS)

The Federal Sustainable Development Strategy represents a major step forward for the Government of Canada by including environmental sustainability and strategic environmental assessment as an integral part of its decision-making processes. During the next three years, PWGSC will play an important role in greening government operations, which addresses Theme IV of the FSDS "Shrinking the Environmental Footprint – Beginning with Government". The Department's activities in this area are further explained in Section II and III.

More than 80% of the federal government's greenhouse gas emissions come from its buildings. As custodian of 24% of the federal inventory of building space, PWGSC's efforts to reduce emissions related to building operations will make a substantial contribution to this Theme IV target. PWGSC has one of the greenest fleets in the federal government with 58% of the fleet being hybrid or alternate fuel vehicles. Further efforts to reduce departmental fleet emissions will also contribute to the Theme IV target of reducing greenhouse gas emissions. Other Theme IV targets that will be supported by PWGSC include reducing internal paper consumption, strengthening green procurement-related requirements, disposing of electronic waste in an environmentally sound and secure way, and adopting a green meeting guide.

PWGSC's programs and activities supporting the FSDS are tagged with the following graphic representing Theme IV.

For additional details on PWGSC's activities to support sustainable development, please see

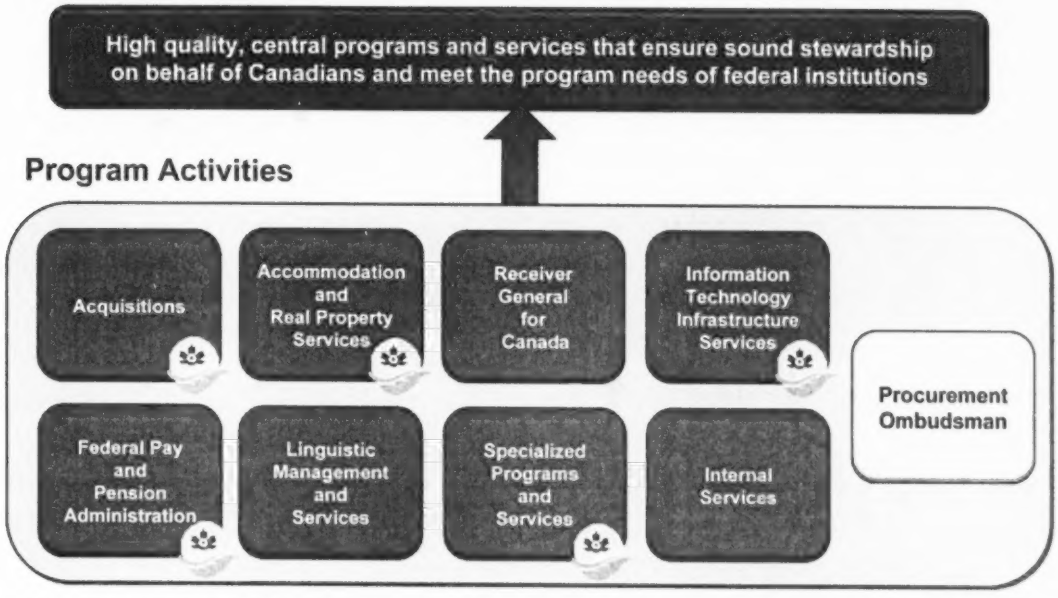
- http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/publications/renouvelable-sustainable-eng.html
- [GGO table housed on the TBS website]

and for complete details on the Federal Sustainable Development Strategy, please see *http://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1*.

Program Activity Architecture

PWGSC's Program Activity Architecture (PAA), as approved by the Treasury Board, supports our strategic outcome of seeking high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions. The following table lists the nine program activities that comprise PWGSC's PAA.

Strategic Outcome


High quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions
Program Activities
Acquisitions
Accommodation and Real Property Services
Receiver General for Canada
Information Technology Infrastructure Services
Procurement Ombudsman
Federal Pay and Pension Administration
Linguistic Management and Services
Specialized Programs and Services
Internal Services

Note: Although it is a program activity of Public Works and Government Services, the Office of the Procurement Ombudsman is required to operate in an impartial and independent manner. The details of its operations and performance results are provided in the Procurement Ombudsman's annual report, which is tabled in each House of Parliament following the fiscal year by the Minister of Public Works and Government Services in accordance with legislative requirements.

1.2 Planning Summary

Financial and Human Resources

The following table summarizes PWGSC's total planned spending and human resources Full-Time Equivalents (FTEs) for the next three fiscal years (2011-2014).

Financial and Human Resources Summary

	Planned Spending		
Financial Resources (in millions of dollars)	**2011-2012**	**2012-2013**	**2013-2014**
Gross Expenditures	6,286.9	5,765.9	5,762.3
Less Respendable Revenue	(3,569.4)	(3,323.0)	(3,183.2)
Net Expenditures	2,717.5	2,442.9	2,579.1
Human Resources			
Full-Time Equivalents (FTEs)	14,244	14,512	14,546

Note: Totals may not add up due to rounding.

Planned Spending by Program Activity

Federal departments and agencies are supported by PWGSC's strategic outcome and program activities. PWGSC's strategic outcome is aligned with the Government Affairs spending area of the Government of Canada's whole-of-government reporting framework, and therefore supports all of the government's outcome areas by helping departments and agencies to deliver their mandates and serve Canadians.

The table below outlines PWGSC's net Forecast Spending for 2010-2011 and the net Planned Spending, by program activity, from 2011-2012 to 2013-2014.

Forecast and Planned Spending

Program Activity (in millions of dollars)	Forecast Spending 2010-2011	Planned Spending 2011-2012	Planned Spending 2012-2013	Planned Spending 2013-2014	Alignment to Government of Canada Outcomes
Acquisitions	145.3	146.6	137.6	122.6	Well-managed and efficient government operations
Accommodation and Real Property Assets Management	2,235.4	1,903.2	1,693.1	1,865.3	Well-managed and efficient government operations
Receiver General for Canada	126.2	128.6	128.6	128.6	Well-managed and efficient government operations
Information Technology Infrastructure Services	25.0	24.8	14.0	5.4	Well-managed and efficient government operations
Federal Pay and Pension Administration	50.1	67.7	31.7	28.1	Well-managed and efficient government operations
Linguistic Management and Services	78.9	77.2	73.7	64.8	Well-managed and efficient government operations
Specialized Programs and Services	65.2	53.2	52.6	52.6	Well-managed and efficient government operations
Procurement Ombudsman	4.5	4.3	4.3	4.3	Well-managed and efficient government operations
Internal Services	369.7	311.8	307.3	307.3	N/A
Total for strategic outcome	**3,100.3**	**2,717.5**	**2,442.9**	**2,579.1**	

Note:

- The Forecast Spending for 2010-2011 includes Main Estimates and additional funding approved since Main Estimates, primarily related to Real Property activities (e.g. price and volume increases).
- Totals may not add up due to rounding.

Contribution of Priorities to Strategic Outcome

PWGSC's strategic outcome is to deliver 'high quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions'. Our work in support of this goal includes the 12 key operational and management priorities described in the table below, which are also reflected in the program activity planning highlights in Section 2 of this report.

PWGSC's Client Service Strategy

Both the "quality services" and "sound stewardship" aspects of PWGSC's Strategic Outcome will be supported by the Department's Client Service Strategy, now in its second year of implementation. This department-wide initiative consists of six elements:

- Service Agreements,
- Service Standards,
- Client Satisfaction,
- Client Engagement,
- Service Culture and
- Innovative Service Offerings.

The objective is to build a common, department-wide approach to client service management, in consultation with client departments, that will bring greater clarity to service priorities and expectations, improve client satisfaction measurement, facilitate better client engagement, and introduce a more systematic approach to the ongoing development of a client service culture at PWGSC.

Building on the progress made over the past year, each element of this strategy will be further implemented in 2011-2012 in all business branches, and further supported by those specific tools and processes they need to address their unique requirements.

OPERATIONAL PRIORITIES	Type	Program Activity	Description
Procurement Modernization	Ongoing	Acquisitions	• Streamlined processes will be implemented for less complex, low risk procurements. • Departments' access to pre-competed procurement tools and methods of supply will be enhanced through on line tools, risk-based delegation mechanisms, and an evolving service strategy. • Work will begin on improving complex and higher risk procurement processes. • Strengthening relations with suppliers will continue by making it easier for them to do business with the Government of Canada via a supplier portal and outreach by the Office of Small and Medium Enterprises.
Real Property Modernization	Ongoing	Accommodation and Real Property Services	• PWGSC continues to modernize our real property business by improving performance in key areas of our operations. We will efficiently manage our real property portfolio using innovative approaches and effective service delivery mechanisms, such as the increased use of private sector capacity where appropriate. The department will improve how we evaluate and communicate the results of our work through enhanced performance reporting. We will strengthen stakeholder relationships through an increased focus on clients and partners, and improve project delivery through the application of lessons learned.
Greening of Government Operations	Ongoing	Specialized Programs and Services	• In the context of the Federal Sustainable Development Strategy, PWGSC is committed to working closely with other government departments on strategies to improve the environmental performance of the federal government's operations in the areas of land, buildings, business and movement. In addition, the department is committed to reducing its own environmental footprint through the implementation of 19 sustainable development commitments and other initiatives.
Parliamentary Precinct Project (Long-Term Vision and Plan)	Ongoing	Accommodation and Real Property Assets Management	• As the custodian of the buildings in the Parliamentary Precinct, PWGSC is investing to protect their architectural integrity through the Long-Term Vision and Plan (LTVP): a blueprint for renovations and new construction to meet accommodation requirements of the Senate, the House of Commons and the Library of Parliament. • The first priority of the LTVP is the renovation of the core buildings (the West, Centre and East Blocks). Major restoration work will begin on the West Block and East Block's northwest tower, and final designs for the Wellington Building and the former Bank of Montreal will be completed.

OPERATIONAL PRIORITIES	Type	Program Activity	Description
Information Technology Shared Services	Ongoing	Information Technology Infrastructure Services	• In partnership with other departments and agencies, PWGSC is leading a number of key initiatives to streamline operations and achieve better enterprise efficiencies for government-wide Information Technology. • These initiatives involve modernization, and consolidation, within the four ITSS lines of business: telecommunications services, data centre services, IT security services, and distributed computing environment services. • PWGSC has launched the GC Data Centre Consolidation (DCC) strategy to examine approaches to Enterprise IT Infrastructure and the number of data centres in the Government of Canada, thereby reducing operating costs, increasing interoperability, improving security and reducing environmental impact through lower energy consumption. • In conjunction with TBS-CIOB the Cyber Authentication strategy will evolve the current Secure Channel authentication service to provide secure and reliable on-line access to GC programs and services across the GC. In addition, virtual computing approaches will be launched and further advance and align with GC Cloud Computing Security framework.
Transformation of Pension Administration	Ongoing	Federal Pay and Pension Administration	The aim of the Transformation of Pension Administration is to: • replace outdated systems infrastructure; • conform to industry standards; and • centralize the delivery of pension services within PWGSC's Public Service Pension Centre, in Shediac, New Brunswick. By November 2011, we will: • implement the new core pension system components for the remaining two types of pension transactions, as well as web-based self-service for employees; and • centralize in the Pension Centre the remaining pension service currently delivered by departments.
Transformation of Pay Administration	Ongoing	Federal Pay and Pension Administration	The Transformation of Pay Administration Initiative, approved in July 2009, will: • replace the 40-year-old pay system; • modernize processes and build web-based self-service; and • gradually consolidate pay administration services from other departments to PWGSC's new Centre of Expertise in Miramichi, New Brunswick. This will ensure the long-term sustainability of the Government of Canada pay administration and increase efficiency, generating $79M in annual savings. In 2011-2012, the following will be completed: • an analysis to evaluate the proposed new pay solution against the Government of Canada pay requirements; and • the new Centre of Expertise will be in operation with the first wave of centralized departments.
Linguistic Services Renewal	Ongoing	Linguistic Management and Services	• In 2011-2012, PWGSC's Translation Bureau will strengthen its partnership with federal departments and agencies to provide quality translation, interpretation and other linguistic services at a reasonable cost. We will also assess the application of leading-edge technological solutions to the delivery of translation services.
Industrial Security Program	Ongoing	Specialized Programs and Services	• PWGSC's Industrial Security Program contributes to the government's national security agenda and safeguards Canadian and foreign governments' sensitive information and assets entrusted to the private sector, companies or individuals when under government contract. • This program ensures that controlled goods are protected against unauthorized possession, examination or transfer when in custody of the private sector. • In 2011-2012, working with our stakeholders and partners, we will continue to modernize and transform ISP processes to provide quality, timely and cost-effective services to support industry and government clients.

MANAGEMENT PRIORITIES	Type	Program Activity	Description
HR Renewal	Ongoing	Internal Services	• PWGSC will continue to advance our HR agenda while actively supporting Public Service Renewal, including an increased focus on renewing the workplace. • We are working to streamline processes, increase collaboration and provide tools to support effective people management, which will also benefit client service. Our HR infrastructure will be modernized by implementing common HR business processes; maximizing the use of collective staffing; and implementing our new, streamlined HR Policy Suite and associated instruments.
Improved Financial Management	Ongoing	Internal Services	• PWGSC will improve financial management by focusing its efforts in three key areas: 1) enhanced integrity of financial information; 2) strengthened internal controls; and 3) implementation of the Budget Management Excellence Framework. • To strengthen PWGSC's management practices, enhance the integrity of financial information and the transparency of decision-making, the Finance Branch will continue to improve the departmental business and internal control processes by introducing a business intelligence reporting tool. In addition, improvements will be made to the financial system (SIGMA) as well developing a training strategy and strengthening governance. • PWGSC's Budget Management Excellence Framework, based on sound analysis and reliable information, is a set of financial strategies, accountabilities and incentives. The Framework provides assurance that the Department's management of public funds is supported by effective financial planning, budgeting, monitoring and reporting. With this robust Budget Management Excellence Framework, PWGSC will ensure enhanced budget forecasting, resource optimization and greater alignment of resources to business priorities.
IT Modernization	Ongoing	Internal Services	• PWGSC will continue to demonstrate excellence in its stewardship of the Information Technology (IT) function by reducing the cost of IT operations and providing reliable and efficient IT services. • Through the alignment of PWGSC strategic objectives and IT investments, with emphasis on facilitating the modernization agenda, PWGSC will ensure a foundation to deliver efficient and effective IT services. • PWGSC will also strengthen its Information Management (IM) program to support effective decision-making and to facilitate the delivery of programs and services. • An Enterprise Information Management Strategy will be developed to ensure that the prioritization of the initiatives will progressively move PWGSC towards the vision of a modernized digital office. Implementation will begin in 2011-2012 and continue over the following 3 years. This strategy will be refreshed annually.

The table below describes the performance indicator and target for the Department's strategic outcome. This is a composite of the performance indicators and targets of program activities described in Section 2 of this report. All nine of PWGSC's program activities contribute to our strategic outcome.

Strategic Outcome	Performance Indicator	Target	Achievement Date
High-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.	Percentage of programs and services that meet their expected results, including service levels and published standards.	95%	March 31, 2012.

Risk Analysis

PWGSC integrates risk management into business planning, decision-making and organizational processes. In doing so, the Department minimizes negative impacts and maximizes opportunities in service delivery and adds value to government operations. The outcomes we seek are well-managed, cost effective programs and projects that are consistent with the Government of Canada's values and ethics.

PWGSC will face a number of internal and external risks in 2011-2012, including those associated with the implementation of PWGSC's Strategic Review, and the government-wide Administrative Service Review decisions. At PWGSC, we have used the Strategic Review opportunity to conduct a comprehensive review of all of our programs and expenditures to ensure that they are effective and efficient, that they meet the priorities of Canadian and are well aligned with our responsibilities. To address these risks, PWGSC will keep its Corporate, Operational, Branch and Regional Risk Profiles updated. A current list of some of the key corporate and operational risks includes:

- **Delivery and Change Management of Government-wide Transformational Initiatives** – There is a risk that delivery and change management of government-wide transformational initiatives may not succeed (e.g. the sunset of the Accelerated Infrastructure Plan, implementation of the Strategic and Administrative reviews, Alternate Forms of Delivery re-procurement, and military procurement).
- **Human resources capacity and skills shortages** – There is a risk HR capacity and turnover challenges may hinder PWGSC's ability to achieve its mandate and priorities. There is also a risk that the department may have a skills gap (e.g. analytical/vision execution, contract/financial), which may impact its ability to successfully implement PWGSC priorities and major initiatives.
- **Ability of IM/IT Infrastructure to Meet Needs** – There is a risk that the current PWGSC IM/IT infrastructure (e.g. HRMS, pay and pension modernization, SIGMA reporting) may not effectively support the needs of PWGSC and/or its key stakeholders.
- **Sustainability of Business Model Risk** – There is a risk that the current PWGSC business model (given its size, complexity, multiple branches, regional model) may not be sustainable or may not meet the needs of stakeholders/clients.
- **Risk-averse Culture and Business Processes/Practices** – There is a risk that PWGSC's risk-averse culture and existing business processes/practices (e.g. HR, procurement, web of rules) may hinder the department's ability to adapt, innovate, and respond quickly.

Expenditure Profile

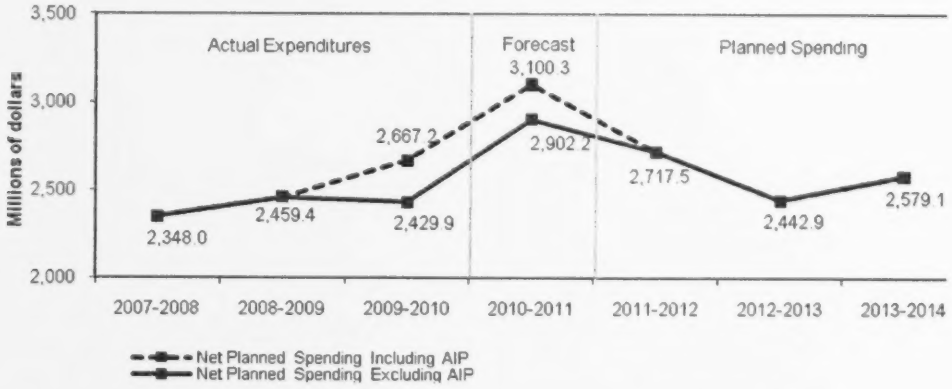
The federal government is focused on decreasing deficits and increasing efficiencies. PWGSC is responding by taking concrete steps to address the focus on increased fiscal restraint including the implementation of Strategic Review. Federal Budget 2010 announced a number of cost containment measures to reduce the growth in operating expenditures in 2010-2011 and the following two fiscal years. As a result of Federal Budget 2010, all departments must contain growth through efficiencies and reallocate resources within their operating vote to meet their obligations. Over the course of the next few years, PWGSC will face several financial management challenges including: implementing the Strategic and Administrative Reviews;

absorbing collective bargaining increases until 2012-2013; strengthening departmental forecasting performance; monitoring of department expenditures including travel, hospitality and conferences; careful management of revenues; and, close monitoring of financial risks to ensure that resources are directed to higher business priorities.

Departmental overhead expenditure will be examined in light of overall program spending. Recent analysis indicates that overhead expenditures are reasonably low and have not increased at the same rate as the growth in business volumes. Over the past five years, the Department's total expenditures increased by 36.3%, while internal services increased by 15.6%. PWGSC spends less on overhead costs (7% of total expenditures) than the average of most departments (10%).

From a financial management perspective, the Budget Management Excellence Framework has been developed and implemented at PWGSC. The Framework is based on sound analysis and reliable information. It is a set of financial strategies, accountabilities and incentives and provides assurance that the management of public funds is supported by effective financial management, planning, budgeting, monitoring and reporting. The Framework ensures that expenditures are within the approved authorities and resources are optimized and aligned to priorities. PWGSC is well positioned to address challenges in the current fiscal environment. The Department has sound financial management practices, monitors expenditures, ensures checks and balances are in place, manages financial risk, and is implementing the Government's new Financial Management Policy Framework (Chief Financial Officer model).

PWGSC Spending Trend (in millions of dollars)



The year over year variances in the table above are explained as follows:

- Planned spending decrease from 2010-2011 to 2011-2012 is due primarily to the termination of the Federal Accelerated Infrastructure Investment (AIP) program which ends in 2010-2011; a decrease in the funding received to cover the inflation and non-discretionary pressures related to the maintenance, rent and utilities of real property assets; and a decrease in funding for government wide accommodations.
- Planned spending decrease from 2011-2012 to 2012-2013 is due primarily to funding for the Long Term Vision and Plan project (Parliamentary Precinct) which is lower in 2012-2013; further decreases in government wide accommodation funding; and the termination of funding for the Engineering Assets project which ends in 2011- 2012.

- Planned spending increase in 2012-2013 to 2013-2014 is for such items as the Long Term Vision and Plan project (West Block) and the acquisition of the Terrasses de la Chaudière building.

As part of Federal Budget 2009, and in support of *Canada's Economic Action Plan*, PWGSC's Accelerated Infrastructure Program (AIP) received investment funding of $435.4 million over two years; $237.3 million for 2009-2010 and $198.1 million for 2010-2011.

Estimates by Vote

For information on our organizational votes and/or statutory expenditures, please see the 2011-2012 Main Estimates publication. An electronic version of the Main Estimates is available at http://www.tbs-sct.gc.ca/est-pre/2011-2012/me-bpd/info/info-eng.asp.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES

2.1 Strategic Outcome

PWGSC's strategic outcome is to achieve high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

2.2 Program Activities

The following section describes PWGSC's nine program activities and the expected results, performance indicators and targets for each program activity. It also includes an overview of the financial and human resources, planning highlights, and benefits to Canadians of each program activity. Additional information is available on our departmental website at www.pwgsc-tpsgc.gc.ca.

2.2.1 Acquisitions

This program activity shows Public Works and Government Services Canada (PWGSC) as the government's primary procurement service provider offering federal organizations a broad base of procurement solutions such as specialized contracts, standing offers and supply arrangements. The role of PWGSC in this area is to provide timely value-added acquisitions and related common services to Canadians and the federal government.

Benefits for Canadians

PWGSC facilitates open, fair and transparent procurement services to the government at best value, worth approximately $14 billion annually through some 60,000 procurement-related transactions. This program activity supports critical activities of the federal government. For example, the purchase of emergency and medical items protects the health of Canadians. Military procurement ensures that equipment necessary to support the men and women in Canada's Armed Forces is provided with the quality and timeliness required. In addition, PWGSC provides a broad range of other goods and services to support the delivery of government programs and services to Canadians.

Having learned from past experience, and through our dedication to continuous improvement, we have ensured procurement is conducted fairly and effectively for the benefit of Canadians. PWGSC plays a stewardship role in protecting the values of openness, transparency and integrity in the procurement system. When we procure goods and services on behalf of departments and agencies, we make sure that the right practices are used, and that fairness is monitored, so that, in the end, the best value for Canadians is attained.

Federal procurement contributes to Canada's economy, and through collaboration with Industry Canada, some procurements are designed to ensure benefits to the regions of Canada through the Industrial and Regional Benefits program. PWGSC also identifies and removes barriers to the participation of Canadian Small and Medium Enterprises (SMEs) in federal procurement opportunities, and facilitates the participation of Aboriginal-owned businesses in those opportunities. Also, in support of the Federal Sustainable Development Strategy, environmental performance considerations throughout the procurement process contribute to the reduction of environmental impacts of government operations.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES

Planning Highlights

Modernizing Procurement involves continuously improving our services to ensure that fair, open and transparent processes continue to be in place, providing best value to Canadians and delivering effective and efficient services to the satisfaction of Client Departments and Suppliers. Our challenge is balancing stewardship and service delivery expectations.

- PWGSC will continue to reduce barriers to doing business and encourage departments to better exercise their delegated authorities through more effective, easy-to-use tools like standing offers and supply arrangements, and electronic tools such as the buyandsell.gc.ca website. This will allow PWGSC to focus on complex and higher risk procurements and the effective management of supply on behalf of the Government of Canada. An enhanced Commodity Management Policy will provide a consistent national process for the development of methods of supply for all major commodities, including consultations with industry, SMEs, potential suppliers and client departments. Over a three-year period, it is expected that this process will be applied to more than 20 commodity groups.
- Building on best practices from initiatives such as the National Shipbuilding Procurement Strategy, PWGSC will enhance its approach to complex procurement and engage industry and other government departments in developing procurement tools and instruments that meet their needs while providing best value to the Crown. Work will continue to improve the efficiency of military and other major federal procurements.
- Our Office of Small and Medium Enterprises will continue to strengthen relationships with suppliers by working with them to address their concerns; making it easier for them to do business with the Government of Canada; and improving access to procurement opportunities. One way of improving access is through the Canadian Innovation Commercialization Program. This new $40 million pilot program announced in Budget 2010 will help bolster innovation in Canada's business sector by helping Canadian companies move their pre-commercial innovations into the marketplace. This program will accomplish this by showcasing, testing and evaluating Canadian innovative products and services, initially for use in federal government operations, in the areas of environment, health, safety and security, and enabling technologies.
- To enhance relationships with client departments and agencies, the Acquisitions Program will continue to advance PWGSC's Client Service Strategy by establishing additional service agreements; implementing service standards; monitoring client satisfaction to make service improvements, and; ensuring that our staff has the tools and training to deliver quality services.

Acquisitions: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	300.4	291.4	266.9
Less Respendable Revenue	(153.8)	(153.8)	(144.3)
Net Expenditures	146.6	137.6	122.6
Human Resources			
Full-Time Equivalents (FTEs)	2,115	2,053	2,013
Note: The decrease in planned spending is mainly due to funding for the Canadian Innovation Commercialization Program (CICP), which will terminate in 2012-2013.			

Expected Results	Performance Indicators	Targets	Achievement Date
A fair, open and transparent procurement process that provides best value to Canadians, delivered effectively and efficiently to the satisfaction of Departments, Clients and Suppliers.	Use of PWGSC procurement instruments by federal departments and agencies	10% increase[1]	March 31, 2012
	Proportion of contracts awarded competitively	above 70%[2]	March 31, 2012
	Cost per $100 AB Business Volume	below $.70[3]	March 31, 2012
	Overall level of client satisfaction of federal organizations	10% improvement[4]	March 31, 2012

Notes:

1 Based on CY 2008 baseline of $1.57B in Treasury Board's annual Procurement Activity Report.

2 Target is based is based on a five-year average (CY 2005 – CY 2009).

3 Target is based on actual $100 of procurement services for 2008-2009.

4 Performance against baseline, which was based on 2009 Acquisition Branch Client Satisfaction Survey (51% fully satisfied/satisfied), will be updated using post-contract client satisfaction survey (quarterly reporting as of March 2011). PWGSC's stewardship role sometimes adds to the response time to provide services and creates challenges in meeting client expectations. We need to improve our communication of this role to better manage expectations and improve the satisfaction of our clients.

2.2.2 Accommodation and Real Property Services

PWGSC provides federal departments and agencies with safe, healthy and affordable office and common use accommodation that support the effective delivery of their programs and services. The department acts as steward for various public works such as buildings, bridges and dams, and national treasures such as the Parliamentary Precinct and other heritage assets across Canada. PWGSC also provides other federal departments and agencies with responsive and cost-effective real property services.

Benefits for Canadians

PWGSC manages a diverse portfolio of real estate that accommodates more than 265,000 federal public service employees in 1,855 locations, directly supporting the programs and services delivered by the Government of Canada to Canadians across the country. The strategic management of our real estate portfolio also includes measures to introduce sustainable development practices into new federal building projects and to support government priorities in the areas of accessibility, official languages and federal presence.

Over the next fiscal year a key benefit for Canadians from this program activity will be the continued delivery of PWGSC's real property mandate of maintaining and improving the asset integrity of our real estate portfolio in such a manner that taxpayers receive the expected value for money for these investments. Our future direction will embrace the principles of better performance and continuous improvement supporting the broad departmental initiatives.

Also, PWGSC contributes to local communities across Canada through our Payments in Lieu of Taxes (PILT) Program. In 2011-2012, we expect to distribute approximately $500 million to 1,242 taxing authorities, where federal property is located. This includes municipalities, provinces, school boards, local services boards and First Nations. PWGSC also enables Parliamentarians and their staff to carry out the democratic responsibilities of Parliament by preserving the Parliamentary Precinct's architectural integrity and heritage, providing functional accommodations, and exercising due diligence in regards to the health and safety of all those who work in these heritage buildings.

Planning Highlights

- PWGSC will manage government real property assets and deliver real property services in strategic and innovative ways, excelling at its core business through the development of modern investment tools, best in class practices, and increased due diligence.
- PWGSC will continue to modernize its real property organization through the development and implementation of progressive tools, strategies and processes that enhance its business performance. This includes performance evaluation of innovative initiatives such as the sale and leaseback of seven federal office properties.
- PWGSC will further enhance its relationships with clients, partners and other stakeholders to demonstrate value as a high performing organization. We will continue work to support the department's Client Service Strategy while meeting the specific requirements of the Accommodation and Real Property Services program activity. With a sharpened focus on people, employees will be supported by a strategic integrated human resources plan, capacity building processes and developmental opportunities.
- Through its Parliamentary Precinct Branch, PWGSC will begin major restoration of the West Block and advance work to fully restore other key assets such as the Wellington Building, the East Block and the former Bank of Montreal Building. We will also continue efforts to stabilize the Confederation Building and the Centre Block in advance of their future major restoration.
- The Sydney Tar Ponds and Coke Ovens Remediation Project will continue to remediate the sites by eliminating the pathways to exposure to contaminants and continues to be a strong contributor to the sustainable development of the Cape Breton community. The Project's strategies will also continue to lead capacity building in areas of Aboriginal procurement, Women's Employment and African Nova Scotian Employment.

Accommodation and Real Property Assets Management: Financial and Human Resources

Financial Resources (in millions of dollars)	2011-2012	Planned Spending 2012-2013	2013-2014
Gross Expenditures	4,343.6	3,929.1	3,956.9
Less Respendable Revenue	(2,440.4)	(2,236.0)	(2,091.6)
Net Expenditures	1,903.2	1,693.1	1,865.3
Human Resources			
Full-Time Equivalents (FTEs)	3,824	3,839	3,822

Note: The decrease in gross expenditures from 2011-2012 to 2012-2013 is related to special funding received in 2011-2012 to fit-up the newly acquired Nortel Carling Campus. The increase in gross expenditures from 2012-2013 to 2013-2014 is due to special funding for the planned acquisition of the Terrasses de la Chaudière office building and the continued implementation of the Long-Term Vision and Plan for the Parliamentary Precinct.

Expected Results	Performance Indicators	Targets	Achievement Date
Federal organizations have safe, healthy and affordable accommodation and facilities that support the effective delivery of their programs and services.	More efficient use of space as measured by m^2 per person	less than 19 m^2 per person	March 31, 2012
	Percentage of recapitalization budget spent	80%	March 31, 2012
	Vacant marketable Crown-owned office space	less than 5%	March 31, 2012
Federal organizations receive responsive and cost-effective real property services in support of the effective delivery of their programs and services.	Real Property Services Revolving Fund costs recovered	100%	March 31, 2012
	Percentage of Real Property projects over $1M that are on-time, on-scope and on-budget	90%	March 31, 2012

2.2.3 Receiver General for Canada

This program activity manages the operations of the federal treasury and maintains the Accounts of Canada. It provides federal departments with an optional financial management system, bill payments services and document imaging.

Benefits for Canadians

Through sound management of the Consolidated Revenue Fund and the Public Accounts of Canada, PWGSC ensures accuracy and timeliness, without exception, to maintain their integrity and provide sound financial management and transparent financial reporting to Canadian taxpayers. Canadians may now receive payments in more than 170 countries worldwide and direct deposit is now available in 22 countries.

In addition, PWGSC is continuing to promote direct deposit and electronic transfers of monies to contribute to the efficiency of our services and further limit our environmental impact by reducing paper-based transactions. By maintaining a disaster recovery program, PWGSC is enhancing the financial security and protecting the incomes of Canadians by being ready to deliver payments and collect revenues on an ongoing basis in the event of an emergency. Finally, Canadians will also benefit from the economies of scale realised through the optimal use of document imaging services.

Planning Highlights

- PWGSC will carry out mission critical functions by: managing the operations of the federal treasury through the issuance and settlement of more than 275 million annual payments and the collection of revenue for all government departments, amounting to over $2 trillion in cash flow; maintaining the Accounts of Canada; producing the government's Monthly Statements of Financial Operations, the annual Public Accounts of Canada; and enhancing the systems that support these functions in order to respond to changes in the business environment. In addition, we will continue to provide departments with an optional financial management system offering, and an image-based bill-payment service.
- PWGSC will, through sound business practices, strive to avoid observations from the Auditor General with respect to the Government's Financial Statements published in the Public Accounts as they relate to Receiver General functions.
- PWGSC will continue to review and enhance the security architecture supporting the Receiver General systems.
- PWGSC will continue to assess and enhance the banking arrangements that the Receiver General establishes on behalf of program departments and agencies.
- PWGSC will continue to pursue changes through automation to streamline the banking and payment processes.
- We will continue work to support PWGSC's Client Service Strategy at the departmental level, and to meet specific needs of the Receiver General for Canada program activity.

Receiver General for Canada: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	143.5	143.6	143.4
Less Respendable Revenue	(14.9)	(15.0)	(14.8)
Net Expenditures	128.6	128.6	128.6
Human Resources			
Full-Time Equivalents (FTEs)	437	440	440

Expected Results	Performance Indicators	Targets	Achievement Date
Timely and efficient issuance of all government payments, provision of deposit detail reports, and central accounting reports.	Average unit cost per payment	$0.32	March 31, 2012
	Percentage of Receiver General payments issued within established timeframes	99.99%	March 31, 2012
	Public Accounts of Canada posted on the web within 24 hours of tabling in Parliament	100%	December 31, 2011

2.2.4 Information Technology Infrastructure Services

This program activity provides leadership in supporting government-wide Information Technology (IT) initiatives. It works closely with client federal organizations to understand and respond to their IT requirements, while delivering secure IT services and solutions. It includes the brokering, developing and/or managing of products and services for distributed computing environments, data centres, telecommunications and IT security.

Benefits for Canadians

PWGSC provides optional IT infrastructure services to 130 federal departments and agencies helping them to deliver essential programs and services across the country. These IT infrastructure services include shared telecommunications networks, data centres, IT security, and managed desktop services. For example, Canadians and Canadian businesses have so far benefited from more than nine million online secure user accounts used to access government services through the Secure Channel. Moreover, based on recent departmental forecasts, the Secure Channel authentication service will provide secure access controls for over 22 million transactions for more than 25 departments and 50 Government of Canada programs for Canadians in 2011-2012.

PWGSC is continuously improving the IT infrastructure throughout the federal government in order to deliver more secure and enhanced services, as well as increased cost savings, to Canadians.

Planning Highlights

- PWGSC will continue to evolve a portfolio of telecommunications services by introducing new wireless and converged voice, data, and video services that will provide more cost-effective and ubiquitous integrated connectivity to departments and agencies.
- PWGSC will deliver services in the distributed computing domain and will focus on strategic planning and pilots. This includes expanding service offerings to other government departments in Records Document and Information Management System, Enterprise search, the desktop, and messaging and collaboration tools.
- PWGSC plans to launch a virtual computing product that implements the Infrastructure as a Service concept and that will be positioned to align with the GC's cloud computing security framework. We will partner with other government departments and agencies to procure and implement these services.
- PWGSC will complete the GC Data Centre Consolidation (DCC) strategy and business case, including consultations with industry and GC stakeholders. We will launch the GC DCC project and begin implementation as per plan. This initiative will significantly reduce the number of data centres in the Government of Canada, thereby reducing operating costs, increasing interoperability, improving security and reducing environmental impacts through lower energy consumption.

- PWGSC will continue to evolve new AccessKey secure authentication services to align with the Treasury Board Secretariat's Chief Information Officer Branch (TBS-CIOB) CyberAuthentication strategy for online transactions with government. The procurement strategy will provide departments and agencies with more cost-effective solutions and additional flexibility in order to help them implement their services online.
- PWGSC will continue to operate and evolve the internal credential management services toward a common service for verifying identity and issuing credentials to GC employees. We will continue to collaborate with TBS-CIOB and various communities of interest to evolve this service as per the agreed upon enterprise strategy.
- We will continue work to support PWGSC's Client Service Strategy at the departmental level, and to meet specific needs of the Information Technology Infrastructure program activity.

Information Technology Infrastructure Services: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	449.6	450.3	469.4
Less Respendable Revenue	(424.8)	(436.3)	(464.0)
Net Expenditures	24.8	14.0	5.4
Human Resources			
Full-Time Equivalents (FTEs)	1,055	1,097	1,125

Note: The decrease in net expenditures from 2011-2012 to 2012-2013 is due to special funding for a Telecommunication and IT Security project which ends in 2011-2012. The further decrease in net expenditures from 2012-2013 to 2013-2014 is due to funding reductions for the Data Centre Sustainability project.

Expected Results	Performance Indicators	Targets	Achievement Date
Federal organizations have access to reliable and innovative services for their programs through four lines of business (Telecommunications, Data Centre Services, IT Security and Distributed Computing Services).	Percentage of service levels met in terms of operational availability for four lines of business	95%	March 31, 2012
Support key Government of Canada programs by hosting applications, managing storage and providing Web services to federal departments and agencies.	Percentage availability of IT systems critical to government operations and programs for Canadians and public servants (i.e. Receiver General, Canada Pension Plan (CPP), Old Age Security (OAS), Pension and Pay Cheque printing)	99%	March 31, 2012
Enterprise-wide telecommunications solutions are provided by supporting Canadian government operations at home and abroad.	Access to the full range of commercially-available telecommunications services	99%	March 31, 2012

2.2.5 Federal Pay and Pension Administration

This program activity provides reliable central systems and processes for pay and pension administration to other federal organizations. Through our pay and pension services, PWGSC ensures that federal government employees and pensioners are paid accurately and on time.

Benefits for Canadians

PWGSC administers payroll services for 110 departments, separate employers and other federal organizations, as well as the pension accounts for approximately 231,900 former public servants, 111,400 former members of the Canadian Forces and 1,375 former Members of Parliament and judges. This involves payments of about $28.7 billion annually.

By streamlining operations through the Pay and Pension Transformation Initiatives, we expect to generate approximately $79 million and $29 million respectively, on an annual basis, in government-wide savings. While the cost to administer pension within PWGSC is increasing due to centralization, costs within departments and agencies will decrease as they divest themselves of their pension-related workloads. In addition, the Compensation Web Applications, a suite of pay and pension tools provided to government employees through their departmental Web infrastructure, will reduce the use of paper by approximately 83 metric tonnes during 2011-2012.

Planning Highlights

- PWGSC will deliver the next release in the implementation of a modernized pension administration system and the associated business processes. This release includes more of the core pension processes such as Leave Without Pay and the web self-service component for contributors. The centralization of pension services to the Public Service Pension Centre will be completed in 2011-2012.
- PWGSC will continue the development activities for the migration of the RCMP pension administration to PWGSC, using the new system implemented by the Pension Modernization Project.
- Analysis will be completed in 2011-2012 to evaluate the proposed new pay solution against the Government of Canada pay requirements. The definition phase for the modernized pay system and processes is expected to be completed by April 2012.
- PWGSC will, over a five year period starting in 2011-2012, gradually transfer pay administration services to a Centre of Expertise within PWGSC for departments using the Government of Canada Human Resources Management System (PeopleSoft). By January 2012, the new Centre of Expertise will be in operation.
- In alignment with PWGSC's Client Service Strategy, the Compensation Website which contains service level standards will be enhanced with complete, ongoing up-to-date information on transformation initiatives.

Federal Pay and Pension Administration: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	172.2	82.6	61.2
Less Respendable Revenue	(104.5)	(50.9)	(33.1)
Net Expenditures	67.7	31.7	28.1
Human Resources			
Full-Time Equivalents (FTEs)	1,480	1,615	1,616

Note: The gross expenditures decrease between 2011-2012 and 2013-2014 due to the termination of funding for the following projects:

- The Pension Modernization project and the Centralization of Pension Services Delivery Project end in 2011-2012;
- The preliminary phase of the Pay Consolidation project ends in 2011-2012;
- The preliminary phase of the Pay Modernization project ends in 2012-2013;
- The RCMP Superannuation Pension Modernization project ends in 2012-2013.

Expected Results	Performance Indicators	Targets	Achievement Date
Employees and retirees are paid accurately and on time through reliable and efficient central systems and processes.	Percentage of pay and pension (PSSA and CFSA) transactions actioned within established timeframes	95.5%	March 31, 2012
	PWGSC cost per account to administer pay for all Government of Canada employees.	$114	March 31, 2012
	Government of Canada-wide cost per account to administer pension.	$162[1]	March 31, 2012

1 The projected cost for 2011-2012 is a 19% improvement when compared to the 2007-2008 Government of Canada-wide cost per account to administer pension, in current dollars.

2.2.6 Linguistic Management and Services

This program activity defines the Translation Bureau as a key component of the federal government's service delivery infrastructure. The Translation Bureau is the sole internal linguistic services provider and offers translation, revision, interpretation and other linguistic services for Parliament, the judiciary, and federal departments and agencies. It is also the terminology authority within the federal government and has been mandated to develop terminology standards to ensure clear, uniform and quality communications within government. Moreover, it ensures that there is a sustainable, qualified and secure supply of linguistic resources available to support any linguistic requirements of the government and to support Canada's economic and social agenda. This program is mandated under the *Translation Bureau Act*.

Benefits for Canadians

PWGSC's Translation Bureau helps the government communicate high-quality and timely information to Canadians in the two official languages. It also provides services in over 100 Aboriginal and foreign languages so that all citizens, regardless of their cultural background or language, may access programs and services provided by the federal government.

It also provides translation and interpretation services during the sessions of the House of Commons, the Senate and parliamentary committees, in addition to translating more than 1.74 million pages for federal departments and agencies at some 60 points of service across the country.

Moreover, its participation in the Government of Canada's official languages strategy, the *Roadmap for Canada's Linguistic Duality*, will contribute to strengthen and promote linguistic duality among all Canadians. To this end, the Translation Bureau will assist Canadian translation and language-technologies companies to become increasingly recognized in Canadian and international markets. It will also provide better opportunities to train the next generation of translators and interpreters.

Planning Highlights

- PWGSC's Translation Bureau will act as the Government of Canada's strategic partner in language solutions. To support PWGSC's Client Service Strategy, it will strengthen its partnership with federal departments and agencies to provide quality translation, interpretation and other linguistic services at a reasonable cost. It will participate in the development of departmental service agreements, establish service standards, report on satisfaction measures in place at the Translation Bureau and create information sheets on various aspects of its services offered. In addition, it will evaluate the application of leading-edge technological solutions to the delivery of translation services.
- The Translation Bureau will help ensure a secure supply of linguistic services to meet the needs of Parliament and federal institutions. It will help strengthen the language sector and provide support for the development of a skilled labour force in Canada in accordance with the Canadian Language Sector Enhancement Program, which was announced in the *Roadmap for Canada's Linguistic Duality*.
- The Translation Bureau will act as the authority in terminology standardization. It will strengthen the government's role in the language field on the federal, national and international scenes, showcase Canada's collective wealth of linguistic and terminological knowledge and maintain the Language Portal of Canada, an initiative of the *Roadmap for Canada's Linguistic Duality*.

Linguistic Management and Services: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	299.2	297.0	291.3
Less Respendable Revenue	(222.0)	(223.3)	(226.5)
Net Expenditures	77.2	73.7	64.8
Human Resources			
Full-Time Equivalents (FTEs)	1,810	1,810	1,810

Note: The gross expenditure decrease between 2011-2012 and 2012-2013 is due to Information Management/Information Technology investments in 2011-2012 which will not be recovered from the clients. The further gross expenditure decrease in 2013-2014 relates to the termination of the program, "The Roadmap for Canada's Linguistic Duality", which terminates on March 31, 2013. This program provides contributions to universities and to the industry.

Expected Results	Performance Indicators	Targets	Achievement Date
The Government of Canada is able to operate and communicate with Canadians in both official languages through quality, cost-effective and responsive linguistic services.	Percentage of clients satisfied with translation services.	over 85%	March 31, 2012
	Percentage of documents translated within the time allotted by Parliament.	over 95%	March 31, 2012
	Percentage of agreed-upon deadlines met for translation services delivered to federal organizations.	over 90%	March 31, 2012
	Total cost of linguistic services/Total billed time	$90 per billed hour	March 31, 2012

2.2.7 Specialized Programs and Services

This program activity provides federal organizations with high quality, timely and accessible specialized services and programs in support of sound, prudent and ethical management and operations.

Benefits for Canadians

PWGSC offers a number of specialized programs and services to other federal departments and agencies. These include audit and forensic accounting services, and activities to accelerate the greening of government operations.

PWGSC also fulfills public, domestic and national security obligations and priorities through the Industrial Security Program. The Industrial Security Program safeguards sensitive government assets and controlled goods while in the custody of the private sector, screens private sector organizations and their employees, and assesses the security of foreign visitors and temporary workers.

Through Government Information Services (GIS), PWGSC ensures that the public has access to government information in a variety of formats. GIS also facilitates public information through public opinion research, the Library Advisory Committee, face to face interactions at fairs and exhibits across Canada, the government-wide right of access to electronic media sources, and the *Canada Gazette* portal.

PWGSC also provides management consulting services and audit services to federal institutions on request through Government Consulting Services and Audit Services Canada, respectively. Canadians benefit from a centrally administered group of public servants with in-depth knowledge of the priorities and administrative policies of government that contribute to a more effectively managed public service. This is a cost effective alternative to each department maintaining its own analytical capacity for short-term requirements.

Another service which is supported by strong governance structures, client departments and central agencies is Shared Services Integration (SSI). SSI leverages purchasing and development power across departments, reducing the cost of supporting systems while standardizing applications and processes. These programs aim to deliver more effective, efficient and sustainable programs and services to Canadians.

Planning Highlights

- PWGSC will continue to build a strong professional audit and assurance organization, putting emphasis on the delivery of high-quality products and services while supporting a culture of learning and professional development. We will promote awareness of our services and consult with clients to better anticipate and meet their needs. Furthermore, we will continue to build an organization, which is financially viable.
- PWGSC will contribute to the government's security agenda to protect Canadians and support industry competitiveness by strengthening the Industrial Security Program (ISP). We will continue with our transformation and modernization of ISP business processes and improve our strategic capacity to ensure quality, timely and cost-effective services.

- PWGSC will continue to provide tailored advice and services to federal organizations for a select range of communication activities offered by Government Information Services to ensure communications across the Government of Canada are well coordinated, effectively managed and responsive to the diverse needs of the public.
    - In 2011-2012, PWGSC will be placing a greater emphasis on its government-wide capacity building and outreach initiatives. This means working with stakeholders to stay abreast of emerging trends and needs and equipping federal organizations with working tools and learning opportunities to respond to the changing environment.
    - We will begin work to upgrade our information systems for advertising and public opinion research in order to add greater functionality and facilitate year-end reporting.
    - Publishing and Depository Services will consider investing in a new Integrated Library System in order to provide more flexibility and better serve the needs of our library community.
    - The Canada Gazette Directorate will modernize its publication tool in an effort to increase production capacity and create a more stable production environment, while continuing to respect its strict legislated deadlines and focus on service delivery. The Canada Gazette Directorate will also work towards automating certain front-end processes, including its financial system, which will improve the quality of client service it provides to those clients publishing regulatory texts in the *Canada Gazette*.
- PWGSC will deliver high quality, timely and cost-effective corporate administrative system support and Human Resources services to other government departments that contribute to a more effective and well managed public service through Shared Services Integration (SSI).
    - By identifying opportunities for administrative efficiencies, SSI will expand its suite of services to improve horizontal management of human resources and financial administrative clusters for administrative efficiencies.
    - Programs will continue to support and align processes with government-wide horizontal initiatives and policies and continue to be a major component in the government's strategy for internal service transformation.
    - SSI's Human Resources services will reduce risks to small departments and agencies by addressing capacity issues and business continuity concerns.
- PWGSC will continue to work with its partner departments in researching and developing policies, strategies and guidance to reduce the environmental footprint of federal government operations. PWGSC is a participant in the Federal Sustainable Development Strategy and contributes to theme IV "Shrinking the Environmental Footprint – Beginning with Government", through the specialized programs and services PA. The department contributes to the following greening government operations target areas of the Federal Sustainable Development Strategy: Green Buildings, Greenhouse Gas Emissions from federal buildings and fleet, Green Procurement, Green Meetings, Paper Consumption, Printing Units and Disposal of Electronic Waste.

- Through the Ministers Regional Offices, PWGSC will continue to contribute to the Government of Canada's broad-based agenda activities by providing assistance and support to Ministers in pursuit of their responsibilities outside of the National Capital Region with coverage across the country. This includes providing office space and administrative services to Ministers and their staff, ensuring efficiency, effectiveness, sound security and cost savings.
- We will continue work to support PWGSC's Client Service Strategy at the departmental level, and to meet specific needs of the Specialized Programs and Services program activity.

Specialized Programs and Services: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	144.5	145.4	146.2
Less Respendable Revenue	(91.3)	(92.8)	(93.6)
Net Expenditures	53.2	52.6	52.6
Human Resources			
Full-Time Equivalents (FTEs)	886	954	985

Note: **For Government Consulting Services:** Forecasted gross expenditures will increase over the planning period in line with the projected increase in business volume and billable rates. **For Audit Services Canada:** Forecasted gross expenditures will increase slightly during the planning period due to potential increases in business volume.

Expected Results	Performance Indicators	Targets	Achievement Date
Federal organizations have access to quality services to improve the management, delivery and safeguard of selected government operations and/or assets while minimizing their impact on the environment.	Percentage of Costs Recovered	100%	March 31, 2012
	Percentage of simple reliability screenings processed within 7 working days	80%	March 31, 2012
	Percentage of new companies (individuals) registered in the Controlled Goods Program within 45 calendar days	80%	March 31, 2012
Federal Cabinet Ministers and their officials receive secure accommodations and services support through Ministers' Regional Offices located across Canada, enabling them to conduct Government of Canada business outside of the National Capital Region.	Average number of clients served annually per MRO	1,000	March 31, 2012

2.2.8 Procurement Ombudsman

This program activity, operating at an arms length from the government, reviews procurement practices across federal departments and agencies, investigates complaints from potential suppliers with respect to awards of contracts for goods and services below certain thresholds, and complaints concerning the administration of contracts; and ensures the provision of an alternative dispute resolution program for contracts. This activity helps to promote fairness and transparency of the procurement process.

Benefits to Canadians

In accordance with the *Federal Accountability Act*, the *Department of Public Works and Government Services Act* was amended to create the position of the Procurement Ombudsman, which was subsequently filled in May 2008. The activities of the Procurement Ombudsman will benefit Canadians by: improving fairness, openness and transparency in the federal procurement process; simplifying procurement processes and making it easier for Canadian businesses to provide products and services to government; and improving knowledge and understanding by Canadian suppliers of the federal procurement process.

Planning Highlights

- The Procurement Ombudsman will provide an independent and neutral avenue to address complaints from suppliers regarding contract award and administration. While all Canadian suppliers will benefit, small and medium-sized enterprises, in particular, will find a neutral focal point to address their concerns and complaints.
- Alternative Dispute Resolution services will be offered to departments and suppliers, which will constitute an independent and affordable option over expensive litigation. It will help level the playing field and strengthen business relations between government and its suppliers.
- Procurement Practices of departments and agencies will be reviewed to focus on fairness and transparency and to make practical recommendations. The practice reviews will pay particular attention to the simplification of the rules and the reduction of paper burden on suppliers while ensuring the integrity of the procurement process. A collaborative approach where input from departments and agencies is required, will be used. We will establish benchmarks and share best practices to promote partnerships and allow departments and agencies to benefit from each other's success stories.
- An active outreach program will be implemented to ensure proper communication to all our stakeholders including: suppliers, senior officials of client departments and agencies, procurement officers, and parliamentarians.
- The Procurement Ombudsman will produce the annual report of the Office of the Procurement Ombudsman (OPO) shortly after the end of the fiscal year (See http://opo-boa.gc.ca/ for more details on the Office of the Procurement Ombudsman).

Procurement Ombudsman: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	4.3	4.3	4.3
Less Respendable Revenue	-	-	-
Net Expenditures	4.3	4.3	4.3
Human Resources			
Full-Time Equivalents (FTEs)	28	28	28

Expected Results	Performance Indicators	Targets	Achievement Date
Canadians have increased confidence in federal procurement practices.	Percentage of suppliers whose confidence in federal procurement has increased	90%	March 31, 2012
	Percentage of Procurement Officials who recognize that the Procurement Ombudsman's efforts have resulted in an increase in procurement community professionalism (training, tools, knowledge of best practices)	90%	March 31, 2012
Canadians have increased confidence in federal procurement practices.	Percentage of senior officials and parliamentarians attesting to the usefulness of the Procurement Ombudsman Report to Parliament in helping them arrive at a meaningful assessment of the performance of the federal procurement process	90%	March 31, 2012

2.2.9 Internal Services

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal Services include only those activities and resources that apply across an organization and not those provided specifically to a program, such as human resources, information technologies, finance and corporate services.

Planning Highlights

- We will continue work to support PWGSC's Client Service Strategy at the departmental level, and to meet specific needs of the Internal Services program activity.
- The Finance Branch will continue to provide a robust financial management regime by delivering on the following activities in 2011-2012: Budget Management Excellence, implementation of a Three-Year Financial Plan; implementation of the approved Cost Recovery Framework; approval and implementation of the Integrated Investment Plan; and, continue to build capacity through the implementation of the new Financial Management Framework (Chief Financial Officer Model).
- PWGSC is committed to its employees. We know they are critical to our success and the provision of high quality services to our clients, the Public Service, and ultimately, to Canadians. We want to ensure that our employees remain our top resource by building on our past successes and moving forward to renew the department. A major renewal project will be our Client Service Strategy, which will be supported by our HR agenda. More specifically, PWGSC will ensure through its Leadership Development initiative that

employees have access to learning events and opportunities that will broaden their overall knowledge and skill, with a particular focus on management excellence and knowledge transfer. We will also proceed with the implementation of our new, streamlined HR Policy Suite. This coupled with the introduction of a People Management Philosophy and associated employee/employer commitment will serve to set the stage for a modern HR agenda for the years ahead.

- A key challenge facing PWGSC and the Public Service is recruiting and retaining the skilled workforce needed to keep pace with change and meet business priorities. For our employees, we need to encourage engagement, opportunities for learning, career growth and advancement. Getting the fundamentals right sets the stage to accomplish this. Our approach to integrated human resources management focuses on getting our fundamentals right; incorporating our values in everything we do; and being recognized as an employer of choice. We remain committed to the advancement of our two departmental HRM priorities through the implementation of our Renewal Action Plan and various other activities to support day-to-day HR requirements of managers and employees.
- In 2011-2012, PWGSC will continue to improve its stewardship of the Information Technology (IT) function by optimizing the efficient delivery of IT services. We will implement an Information Management (IM) and IT portfolio management framework that will serve to align the departmental IM/IT strategy to the Department's evolving business service delivery needs.
- The Departmental Oversight Branch (DOB) will continue to provide our Minister and Deputy Minister with assurance that Departmental operations are being carried out with prudence, probity and transparency, in accordance with established legislation, regulations, policies and practices. This oversight function ensures that PWGSC's integrity and credibility are protected through modern management practices and sound stewardship of public funds. In addition, DOB provides cost-recoverable services to other departments and agencies, and is responsible for administering the *Public Servants Disclosure Protection Act* which encourages public servants to report wrongdoing in the workplace.

Internal Services: Financial and Human Resources

Financial Resources (in millions of dollars)	Planned Spending 2011-2012	2012-2013	2013-2014
Gross Expenditures	429.4	422.0	422.6
Less Respendable Revenue	(117.6)	(114.7)	(115.3)
Net Expenditures	311.8	307.3	307.3
Human Resources			
Full-Time Equivalents (FTEs)	2,609	2,676	2,707
Note: The decrease in gross expenditures from 2011-2012 to 2012-2013 is mainly due to a decrease in business volume.			

3.1 Financial Highlights

The preparation of future-oriented financial statements is part of new reporting initiatives applicable to all departments starting in this *2011-2012 Report on Plans and Priorities*. This new reporting is part of a series of financial initiatives that aim to strengthen accountability, improve transparency and financial management.

The highlights presented in this section are intended to serve as a general overview of PWGSC's operations. These consolidated condensed future-oriented financial statements are prepared on an accrual basis of accounting to better align consumption of resources with the services provided, rather than reporting solely inlays and outlays of cash.

Reporting of financial authorities which is primarily based on cash flow requirements does not reflect reporting of future-oriented financial results which is on an accrual basis. The two types of reporting are reconciled in PWGSC's *Future-Oriented Consolidated Financial Statements* that can be found on PWGSC website http://www.tpsgc-pwgsc.gc.ca/rapports-reports/rpp/index-eng.html.

Condensed Future-Oriented Consolidated Statement of Financial Position

At end of Fiscal Year (March 31, 2012)	(in millions of dollars)
	2011-2012
ASSETS	5,939.0
TOTAL	**5,939.0**
LIABILITIES	3,555.8
EQUITY	2,383.2
TOTAL	**5,939.0**

Condensed Future-Oriented Consolidated Statement of Operations

At end of Fiscal Year (March 31, 2012)	(in millions of dollars)
	2011-2012
EXPENSES	5,260.0
REVENUES	2,827.6
NET COST OF OPERATIONS	**2,432.4**

3.2 List of Supplementary Information Tables

The following tables are located on the Treasury Board Secretariat website (http://www.tbs-sct.gc.ca/estd-bddc/index-eng.asp):

Details of Transfer Payment Programs

Up-Front Multi-Year Funding (PWGSC is not responsible for administering conditional grant funding agreements.)

Greening Government Operations

Horizontal Initiatives

Upcoming Internal Audits and Evaluations over the next three fiscal years

Sources of Respendable and Non-Respendable Revenue

Status Report on Transformational and Major Crown Projects

Summary of Capital Spending by Program Activity

User fees

3.3 Other Items of Interest

Sustainable Development

Based on the Federal Sustainable Development Strategy, PWGSC commits to

- Providing specific information on its sustainable development activities.
- Ensuring that the Government's environmental goals are taken into account when pursuing social and economic goals by strengthening the application of Strategic Environmental Assessments.
- Pursuing best practices on reporting on summary information related to the results of Strategic Environmental Assessments, including those linked to the Federal Sustainable Development Strategy goals and targets, in order to ensure that environmental decision making is more transparent.

For additional details on PWGSC's activities to support sustainable development please see

- http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/publications/renouvelable-sustainable-eng.html
- [GGO table housed on the TBS website]

and for complete details on the Federal Sustainable Development Strategy please see *http://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1*.